MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2015/2016

PBU0045 – INTRODUCTION TO BUSINESS MANAGEMENT

(Foundation in Engineering, Foundation in Information Technology, Foundation in Life Sciences and Foundation in Management)

16 OCTOBER 2015
9.00 a.m – 11.00 a.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **EIGHT** pages.
2. Answer **ALL** questions in **Sections A, B,** and **C.**
3. Shade your answers for **Section A** on the OMR sheet. Write your answers for **Section B** and **C** in the Answer Booklet.

SECTION A: MULTIPLE CHOICE [40 MARKS]

Instructions: Answer **ALL** questions in this section. Shade your answers on the **OMR** sheet.

1. Which type of manager is responsible for implementing the strategies, policies, and decisions made by top managers?
   A. Office manager
   B. Middle manager
   C. First-line manager
   D. Financial manager

2. What type of skills are needed to understand and work well with people in the workplace?
   A. Motor skills
   B. Technical skills
   C. Conceptual skills
   D. Human relations skills

3. Which kind of strategy takes place at the level of the product line and focuses on a firm's competitive position?
   A. Local strategy
   B. Business strategy
   C. Functional strategy
   D. Fundamental strategy

4. Which of the following best describes a mission?
   A. An objective that a business hopes and plans to achieve.
   B. The shared experiences, stories, beliefs, and norms that characterise an organisation.
   C. A broad set of organizational plans for implementing decisions made for achieving organizational goals.
   D. An organization's statement of how it will achieve its purpose in the environment in which it conducts business.

5. The retail shop, nursery, and landscape operations managers all report to the owner and president within the company. Which of the following describe the situation above?
   A. Job specialisation
   B. Mission statement
   C. Grapevine activity
   D. Chain of command

Continued...

6. The process of designing specific jobs that need to be done and identifying the people who will perform them is called _____.
   A. group tasks
   B. segmentation
   C. job specialisation
   D. departmentalisation

7. What kind of departmentalisation happens when an organisation is divided into operations related to different products?
   A. Customer departmentalisation
   B. Process departmentalisation
   C. Functional departmentalisation
   D. Geographic departmentalisation

8. What is the main organizational characteristic of decentralised firms?
   A. Flat
   B. Tall
   C. Diverse
   D. Multi-layered

9. When a company makes products available where they are convenient for consumers, it creates which type of utility?
   A. Time utility
   B. Form utility
   C. Place utility
   D. Possesion utility

10. Logan Aluminum makes coils of aluminum that it supplied to customer companies that use it to make beverage cans. Logan uses a schedule that specifies how many tons of each type of coil will be produced each week. What is this schedule called?
   A. Gantt chart
   B. Staff schedule
   C. Detailed schedule
   D. Master production schedule

11. In operations control, production managers monitor production performance by which method?
   A. Constantly talking with employees involved.
   B. Checking on each worker on the production floor.
   C. Comparing results with detailed plans and schedules.
   D. Observing activities from a platform above the workers.

Continued...

12. Which of the following is **NOT** one of the areas of materials management?
    A. Warehousing
    B. Transportation
    C. Product analysis
    D. Supplier selection

13. Counterproductive behaviours are behaviours that detract from organizational performance. Which of the following is **NOT** a counterproductive behaviour?
    A. Theft
    B. Agreeableness
    C. Sexual harassment
    D. Workplace violence

14. The extent to which people are self-aware is an aspect of which of the following?
    A. Attitude
    B. Social skills
    C. Negative emotionality
    D. Emotional intelligence

15. You need to assign a task to one of your employees. The task involves a high level of detailed work. To whom should you assign the task?
    A. A person who exhibits high openness and low negative emotionality.
    B. A person who exhibits high agreeableness and low conscientiousness.
    C. A person who exhibits high conscientiousness and low extraversion.
    D. A person who exhibits more negative emotionality and low agreeableness.

16. Which of the following might you, as a manager, expect to see in an employee who has a low degree of conscientiousness?
    A. A tendency toward mood swings.
    B. An inability to work in a team setting.
    C. A high level of comfort with other people.
    D. A tendency to be unprepared at meetings.

17. What is the main aim of the behavioural approach to leadership?
    A. To determine the behaviours employed by effective leaders.
    B. To identify how positive behaviour of employees affect the leadership outcome.
    C. To identify the different behaviours employed by the employees in the workplace.
    D. To determine how the leader's level of intelligence affect their behaviour towards employees.

Continued...

18. Barack Obama has been regarded by many as a charismatic leader. What is one of the many characteristics of a charismatic leader?
    A. Charismatic leaders are usually indifferent about their followers' weaknesses and problems.
    B. Charismatic leaders are most commonly very energetic and possess very high levels of self-confidence.
    C. Charismatic leaders are very dominant and are usually very successful in getting all the followers to follow them.
    D. Charismatic leaders are excellent at ensuring all of their followers are able to follow pre-determined and regimented set of activities.

19. Leadership activities mainly focus on _____.
    A. leading, planning, inspiring, monitoring
    B. planning, organising, leading, controlling
    C. agenda setting, inspiring, leading, controlling
    D. agenda setting, aligning, inspiring, monitoring

20. A job analysis conducted by the human resource division in a company will usually result in two things: the job specification and the job description. What are some of the items covered in job specification?
    A. The duties and responsibilities of a specific job.
    B. The skills and abilities needed for the specific job.
    C. The qualifications and working environment of a specific job.
    D. The working conditions and the tools required to perform a specific job.

21. What is the purpose of conducting a performance appraisal?
    A. To determine the financial performance of the company.
    B. To determine the training needs required by the employees.
    C. To determine the degree to which an employee is performing within the company.
    D. To determine the correlation between the employee's performance and the company's performance.

22. What are the factors that affect compensation offered by a company?
    A. Competitors' wage offering
    B. The gender of the employees
    C. The maturity of the company
    D. An employee's personal financial background

23. What is the term for the process of creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders?
    A. Marketing
    B. Controlling
    C. Financial planning
    D. Operations management

Continued...

24. Which of the following identifies products that are dissimilar from those of competitors, but can fulfill the same need?
    A. Product shift
    B. The marketing mix
    C. Brand competition
    D. Substitute products

25. What type of marketing is a "loyalty banking" program an example of?
    A. Social marketing
    B. Industrial marketing
    C. Economic marketing
    D. Relationship marketing

26. Which of the following refers to the combination of channels that a firm selects to get a product to end users?
    A. Retail system
    B. Marketing plan
    C. Distribution mix
    D. Merchandising system

27. Which of the following pricing strategies best describes price lining?
    A. Setting an initial low price to establish a new product in the market
    B. Setting a limited number of prices for certain categories of products
    C. Setting individually negotiated prices for certain categories of products
    D. Setting an initial high price to cover new product costs and generate a profit

28. During the product life cycle, when do sales begin to slow down while profit levels are high?
    A. Growth
    B. Decline
    C. Maturity
    D. Introduction

29. What is the main role of a private accountant?
    A. To manage all the firm's accounting activities.
    B. To offer accounting services to the general public.
    C. To determine the best strategies for the firm's investments.
    D. To carry out all the day to day financial activities in a business.

30. The asset of a company that can be converted to cash within a year is known as _____.
    A. fixed asset
    B. current asset
    C. long-term asset
    D. receivable asset

Continued...

31. What information does the statement of cash flow provide?
    A. The company's profit and losses.
    B. The company's operating income and gross profit.
    C. The company's yearly cash receipts and cash payments.
    D. The company's revenues and the cost of revenues in dollars.

32. The financial institution that accepts deposits and pays interest to its depositors is _____.
    A. Credit union
    B. Commercial bank
    C. Mutual savings bank
    D. Savings and loan association

33. The international body that can provide underdeveloped countries with funding to improve their conditions is _____.
    A. World Bank
    B. Trusteeship Council
    C. The Economic and Social Council
    D. International Monetary Fund

34. How do insurance companies make money?
    A. They pay compensation for high risk investments.
    B. They liquidate most of their assets within a couple of months.
    C. They collect interest from the loans they can offer to the general public.
    D. They invest the money collected from premiums in funds such as stock and real estate.

35. What value of a stock is calculated by dividing total shareholders' equity by the total number of shares of stock issued?
    A. Par value
    B. Book value
    C. Total value
    D. Market value

36. Which of the following terms refers to stocks, bonds, and mutual funds representing secured, or financially viable, claims on the part of investors?
    A. Securities
    B. Exchanges
    C. Commodities
    D. Private placements

37. Which of the following is a summary of price trends in a specific industry and/or the stock market as a whole?
    A. Prospectus
    B. Market index
    C. Market indicator
    D. Investment index

Continued...

38. What is the term for buying several different kinds of investments rather than just one?
    A. Short
    B. Management
    C. Diversification
    D. Managing investment

39. The practice of avoiding risk by declining or ceasing to participate in an activity is known as _____.
    A. risk transfer
    B. risk retention
    C. risk control
    D. risk avoidance

40. Which of the following best describe business interruption insurance?
    A. Covering income lost during times when a company is unable to conduct business.
    B. Covering losses resulting from physical damage to or loss of the insured's real estate or personal property.
    C. Covering losses resulting from damage to people or property when the insured is judged responsible.
    D. Coverage provided by a firm to employees for medical expenses, loss of wages, and rehabilitation costs resulting from job-related injuries or disease.

SECTION B: SHORT ANSWER [40 MARKS]

Instructions: Answer **ALL** questions in this section. Write your answers in the Answer Booklet.

1. State the area of management that correspond to the type of basic management skills. (5 marks)

2. List the determinants of organizational structure. (5 marks)

3. a) Define 'operation' (1 mark)
   b) What are the differences between service and goods manufacturing operations. (4 marks)

4. State the **FIVE** dimension of 'emotional intelligence.' (5 marks)

5. State and briefly explain the TWO (2) behavioural approaches to leadership. (5 marks)

Continued...

6. a) Define consumer behaviour (1 mark)
   b) List **FOUR** influences on consumer behaviour (4 marks)

7. State the **FIVE** groups of people who use accounting information. (5 marks)

8. a) What is the difference between primary securities market and secondary securities market? (2 marks)

   b) Define the following financial terms.
      i) Dividend
      ii) Capital gain
      iii) Initial public offering (3 marks)

SECTION C: ESSAYS [20 MARKS]

Instructions: Answer **ALL** questions in this section. Write your answers in the Answer Booklet.

1. Due to the economic slowdown, JVC factory in Shah Alam, Malaysia has decided to retrench 20% of its employees and not to award bonuses to all. The leader of the labour union met with the President of JVC to voice their dissatisfaction and to appeal for a small bonus or incentive for all. Should the bargaining process between the labour union and the management fail, what are the possible repercussions and what can JVC do to counter the negative outcome?

   (10 marks)

2. a) Stylix stereo systems a cutting-edge manufacturer of stereo speakers, sells the popular Stylix V model and recently introduced the Stylix X, a brand-new speaker technology. Discuss the main components of promotional mix.

   b) Assume that a customer is evaluating the alternatives between Stylix X and Sonee Stereo, a competitor's brand. What type of promotional tool should Stylix stereo systems implement?

   (10 marks)

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